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CPW Report No. 17 -- COMMUNIST CHINA

(Apr. 7 - 13, 1952)

SUMMARY

Considerable comment on the anticorruption drive continued during the week ending Apr. 13. However, most activity seemed aimed at completing the drive and disposing of the thousands of corruption cases. More adjudication machinery was set up and hundreds of cases settled. Heavier concentration on the "five-anti's" campaign against bigger and more corrupt private businessmen was noted, with Canton's Mayor placing the number of non-law-abiding merchants in his city at 4 percent.

However, despite a sincere desire on the part of authorities to settle all cases and close the drive, the actual accomplishment was not easy. One attempt at rapid adjudication was slowed down by 116 new accusations. Desperate merchants grasping at promises of clemency introduced hundreds of new charges. Though in conducting the five-anti's drive careful consideration was given to each individual case, with stress on information forms and individual pacts rather than open and noisy accusations, some businessmen did not properly fill out their forms. A tendency was noted also to criticize the methods of some tiger hunters, for instance, the "incorrect attitude" of one group which refrained from questioning wives and children. Another complaint was that clerks had been slow to understand the true situation, and therefore reluctant to cause trouble for their employers who furnished them with food, clothing, and employment. There also was difficulty in getting enthusiastic tiger hunters back into the routine of business, and in convincing businessmen that they could go on with their operations free from further molestation. Eight imprisoned merchants had been released "upon the request of local merchants" so they could "engage in production while awaiting judgment," while enthusiastic tiger-hunting cadres were urged to "use the same spirit" in promoting production.

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CONFIDENTIAL

OO-F-240

- 2 -

In summing up the drive, Peking did not seem entirely satisfied, but complained that the campaign had been "concentrated on corruption," with the result that "bureaucratic practices," "basic construction," and "production leading to waste" had been neglected. It was suggested that an "antiwaste and antibureaucracy struggle" still was needed.

Private businessmen convicted of corruption received some severe sentences, as high as 15 years of imprisonment. However, new cases of corruption among businessmen were surprisingly few. The worst indictment came from Canton's Mayor Yeh, who declared that businessmen had "placed China's national economy under foreign imperialists" through illicit exportation of "strategic wolfram, tin, antimony, rice, gold, and silver, and the smuggling in of morphine and opium." On the other hand, some important Party and Government officials were faced with serious charges. Peking reported that Ho Heng-fu, important official in the Central and South China Government whose dismissal was announced a week earlier, had robbed the Government of 700 million yuan. His arrest had been ordered by Premier Chou En-lai himself. Another important official arrested was Chou Chi-ming, Party member since 1940 and high official in the Anhwei Federation of Labor.

Frank admissions that the anticorruption drive hindered production still were heard frequently, despite apparent efforts to prove the economy actually had gained. Peking placed heavy stress on price cuts up to 30 percent in State-owned stores and trading companies, claiming they were possible because of the drive. However, Shanghai's regular market quotations failed to reflect these cuts. Though drops were noted in some items such as cigarettes, food and clothing were for the most part quoted in East China cities at the rates of several weeks ago. Reports from Foochow, which had been pointed up in these quotations as a city of high living costs, were for some reason omitted. There is reason for thinking that the price cuts in State-owned stores resulted from decreased purchases following a drop in purchasing power. Evidence for this was seen in reports buyers were turning down "overpriced goods," and in Mukden's announcement of wage increases and allowances for rent and utilities "to solve workers' housing problems."

Evidence of famine still was apparent, and the shortage of draft oxen and farming equipment was illustrated by a report from Kiangsi that a mutual aid team had solved the problem by allowing those who had equipment to farm the land, while the others "hired themselves out for cash" to finance the farming operations. Kiangsi cadres were ordered to "correct the thoughts" of farmers in some sections, as they had been deliberately allowing their oxen to die in order to collect insurance. A lack of enthusiasm among Honan farmers was admitted, and cadres were told to lead farmers in spring production "by overcoming their hesitancy." In Yunnan mutual-aid teams were unsuccessful "as a result of peasants' misunderstanding," and the need for thought correction among farmers who received land and now "refuse to help Army dependents" was revealed.

Peking spoke of Central Government concern over the "quantitative and qualitative" shortcomings of middle technical schools, which are expected to train 500,000 technical cadres in the next 5 years. One suggested solution was to stress "short-term classes and spare-time supplementary technical courses," which can scarcely be expected to improve the "quality" of the training.

A suggestion that collective farms have not proved too helpful in the Northeast, where there was an obvious effort to promote them, and where there was a drop of 5.2 percent in food production last year, was seen in a declaration that only "one or two experimental collective farms" should be set up in each province, and then only under "proper leadership" and at keypoints where the people have a "comparatively richer experience in mutual-aid work." Reports of resistance to land reform still came principally from Kiangsi and Yunnan, with some added reports of failures from Honan.

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OO-F-240

- 3 -

No new charges of American germ warfare were heard. Peking had little to say on the subject, and the regional stations said practically nothing.

Chungking announced that "at the request of the Shantou Nationality Group" those tribesmen in the mountains would be moved to the Lungchuan River lowlands, but added: "They were induced to migrate after various propaganda teams had worked among the mountain people."

CONFIDENTIAL

Apr. 7-13, 1952

TABLE OF CONTENTS

ANTIWASTE, ANTICORRUPTION, ANTIBUREAUCRACY

Development of Drive 1Adjudication and Final Steps 2

CASES OF CORRUPTION

Private Businessmen 4Party and Public Officials 4

ECONOMIC PROBLEMS

Effects of Anticorruption Drive 5Prices, Shortages, and Trade 6Special Projects 8

RURAL DEVELOPMENTS

Spring Production 8Special Methods and Problems 9Land Reform 9

PROPAGANDA PROGRAMS

Bacteriological Warfare 10Thought Reform 10National Minorities 10

MISCELLANEOUS

Marriage Law 11Contagious Diseases 11